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NOTICE OF PROPOSED RATE CHANGES

ALICE J. REMICHE  
CITY CLERK  
CITY OF LODI

Pacific Bell has requested that the California Public Utilities Commission (CPUC) decide several issues which could affect Pacific Bell's rates for telephone service.

Pacific Bell has proposed returning \$44 million to customers as a result of Pacific Bell's increased productivity in 1989. If approved, the average monthly residential Pacific Bell billing of \$26 will be decreased by about 53 cents (2%) from May through August 1990.

In addition, Pacific Bell has proposed rate increases totaling approximately \$135 million for certain technical accounting changes involving the method of accounting for compensated absence and the level at which certain items are capitalized. These accounting changes were previously approved by the CPUC. If these proposals are approved, the average monthly residential bill will be increased by about 79 cents (3%) from May through December 1990. In January 1991, this monthly increase will be reduced to about 19 cents (0.7%).

Any rate changes approved by the CPUC will be reflected in the credit now appearing on the "Rate Surcharge" line in the "Regulated Monthly Charges and Credits" section of the Pacific Bell bill. The net result of these changes, if approved, will be a slightly smaller credit on the Pacific Bell bill than its customers are receiving today.

A copy of Pacific Bell's Advice Letter Nos. 15674 and 15697, Application 90-02-050 and related exhibits, which contain these requests, may be obtained by writing to:

Pacific Bell  
Regulatory Manager, Technical Filings  
140 New Montgomery Street. Room 922  
San Francisco, California 94105

San Francisco, February 28, 1990

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ALICE M. REIMSCHUES  
CITY CLERK  
CITY OF LODI

795 Folsom Street  
San Francisco, California 94107  
Phone (415) 442-2600

## NOTICE OF AT&T COMMUNICATIONS' APPLICATION FOR RATE INCREASE

On February 26, 1990, AT&T Communications of California, Inc. ("AT&T") filed an Application with the California Public Utilities Commission ("CPUC") to raise the price of AT&T's intrastate interLATA long distance Directory Assistance service from 40 cents to 60 cents. AT&T has previously provided Directory Assistance at rates below cost pursuant to CPUC orders. The proposed rate will recover AT&T's costs for providing the service.

However, as a reasonable trade off for the increased Directory Assistance charge, AT&T will offset the increased revenues associated with the Directory Assistance increase by reducing prices for the "additional minute" category of daytime direct-dialed Long Distance Service calls traveling over 150 miles within California. If this Application is approved, a 10-minute direct-dialed daytime call between San Francisco and Los Angeles would drop from \$2.01 to \$1.92.

A copy of the Application will be furnished upon written request to:

Mr. Christopher Ensign  
AT&T State Government Affairs  
795 Folsom Street, Room 220  
San Francisco, California 94107

Any comments or inquiries, including requests to receive notices of dates, time and places of any hearings on this application, may be directed to the California Public Utilities Commission office at 505 Van Ness Avenue, San Francisco, CA 94102. Customers interested in participating in this proceeding may contact the Office of Public Advisor, California Public Utilities Commission, 505 Van Ness Avenue, San Francisco, CA 94102.

CERTIFICATE OF SERVICE

I, Luis A. Aguilar, certify that the following is true and correct:

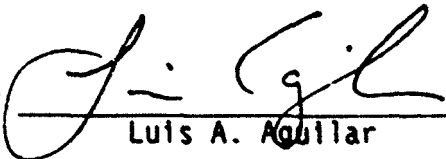
I am a citizen of the United States, State of California, am over eighteen years of age, and am not a party to the within cause.

My business address is 795 Folsom Street, Room 240, San Francisco, California 94107.

On February 27, 1990, I served the foregoing document upon all known parties of record in this proceeding by mailing by first-class mail a copy thereof properly addressed in accordance with the attached list.

Executed this 27th day of February, 1990, at San Francisco, California.

AT&T COMMUNICATIONS OF CALIFORNIA, INC.  
795 Folsom Street  
San Francisco, CA 94107

By   
Luis A. Aguilar